

October 13, 2010

ITEM NO. B5

**REQUEST FOR APPROVAL OF THE RECOMMENDED DEVELOPMENT TEAM,
LATHROP COMMUNITY PARTNERS (LCP), AND AUTHORIZATION TO ENTER INTO
NEGOTIATIONS FOR A MASTER DEVELOPMENT AGREEMENT (MDA) AND INITIATE
REVITALIZATION PLANNING FOR LATHROP HOMES**

To the Honorable Board of Commissioners

RECOMMENDATION

It is recommended that the Board of Commissioners approve Lathrop Community Partners (LCP), a Master Development Team consisting of Heartland Housing, Inc., Related Midwest (LR dba Related Midwest), Bickerdike Redevelopment Corp., Magellan Development Group, and Ardmore Associates, as the recommended Development Team and authorize the Chief Executive Officer or his designee to enter into negotiations for a Master Development Agreement (MDA) and initiate revitalization planning for Lathrop Homes.

FUNDING

No Funds Required

EXPLANATION

Contract Type: Development Agreement	Date Advertised:	January 11 - 19, 2010
	Pre-Submittal Conference:	January 20, 2010
	Addendum No. 1 Issued:	February 11, 2010
	Addendum No. 2 Issued:	February 24, 2010
	Date Submittals Opened:	March 8, 2010
	Advertisement Publication(s):	Chicago Tribune Chicago Defender Hoy CHA website
Number of Vendors Solicited:	231	
Number of Assist Agencies:	23	
Number of Pick-ups:	231	
Number of Notices of Intent to Respond filed:	69	
Number of Proposals Received:	6	

GENERAL BACKGROUND

The Habitat Company (“Habitat”), the court-appointed *Gautreaux* Development Manager, on behalf of the Chicago Housing Authority (“CHA”), issued a Request For Qualifications for a Master Developer and Property Management Team for the Redevelopment of the Julia C. Lathrop Homes to lead its multi-year, multi-phase redevelopment, in order to achieve the vision of the Lathrop Homes Working Group. The Working Group’s vision is for sustainable affordability and opportunity in the heart of Chicago that develops a large scale mixed-income community that achieves LEED for Neighborhood Development Gold or Platinum level certification.

The RFQ sought firms with demonstrated experience and expertise in:

- *Sustainable Development* -- especially LEED for Neighborhood Development and Clean Technology
- *Affordable Housing Development* – especially in the development of large-scale mixed-income, mixed-use housing developments and HUD mixed finance regulations
- *Community Development Planning* – especially those with demonstrated ability to manage an open, public planning process with a wide range of participants
- *Redevelopment of Historic Properties* - including use of Historic Preservation Tax Credits
- *Residential Property Management* – especially large mixed-income developments
- *Supportive Services* – especially services aimed at low-income families
- *Job Creation* – a proven track record of consistent Section 3 resident hiring and providing business opportunities to MBE/WBE/DBE certified firms
- *Accessibility* – expertise in ADA/ Uniform Federal Accessibility Standards according to Section 504 of the Rehabilitation Act of 1973

The RFQ specified that the redevelopment scope must provide both ownership and rental on the site of the present Julia C. Lathrop Homes property. In addition, it must provide appropriate space for existing on-site community institutions, including the Mary Crane Community Center and Daniel Cotter Boys & Girls Club or successor institutions. CHA has committed to return 400 public housing rental units which are to be no more than one-third of the total units of the development.

PROCUREMENT HISTORY

Habitat advertised the Request for Qualifications (the “RFQ”) on January 7, 2010 for a Master Developer and Property Management Team for the Redevelopment of the Julia C. Lathrop Homes. Habitat advertised the RFQ in the Chicago Tribune, Chicago Defender, Hoy, and on the United States Green Building Council Chicago Chapter and CHA websites. Habitat also directly solicited two hundred thirty one (231) firms, including twenty-three (23) assist agencies. A Pre-Submittal Conference was held on January 20, 2010. An email to everyone who filed a Notice of Intent to Respond was issued on February 11, 2010 to respond to vendor Requests for Information and to announce a deadline for all final questions of February 22, 2010. Habitat received six (6) proposals on March 8, 2010.

The Evaluation Committee, comprised of members of the Lathrop Homes Working Group, reviewed the proposals and developed its recommendation to CHA/Habitat based on the criteria and requirements outlined in the RFQ. The Evaluation Committee reviewed and scored the proposals, and Habitat determined that five (5) of the Respondents were within the Competitive Range. Each of the five (5) teams made oral presentations. Upon further consideration of each Respondent following the presentations, the Evaluation Committee recommended that the highest-ranked team be asked to lead an open community planning process for the redevelopment of Lathrop Homes. LCP was the highest ranked team based on the Evaluation Committee scoring of the qualifications criteria. The second- and third-ranked teams have also been identified, in the event negotiations with the highest-ranked team do not conclude with an executed MDA.

The Execution of a Master Development Agreement is subject to the Developer’s compliance with CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

Based on the foregoing, it is in the best interest of the CHA for the Board of Commissioners to approve the recommended Development Team, Lathrop Community Partners (LCP), and to authorize the Chief Executive Officer or his designee to enter into negotiations for a Master Development Agreement (MDA) and initiate revitalization planning for Lathrop Homes.

RESOLUTION NO. 2010-CHA-128

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated September 15, 2010, requesting approval of the recommended Development Team, Lathrop Community Partners (LCP), and authorization for the Chief Executive Officer or his designee to enter into negotiations for a Master Development Agreement (MDA) and to initiate revitalization planning for Lathrop Homes.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners approves the recommended Development Team, Lathrop Community Partners (LCP), and authorizes the Chief Executive Officer or his designee to enter into negotiations for a Master Development Agreement (MDA) and to initiate revitalization planning for Lathrop Homes.

The Execution of a Master Development Agreement is subject to the Developer's compliance with CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

